REMARKS/ARGUMENTS

Claims 20-23, 25-29, and 81 are pending in the application. Claims 20 and 25 have been amended.

Claims 20-23, 25-29, and 81 were rejected under 35 U.S.C. §101. Claims 20-23, 25-29, and 81 were rejected under 35 U.S.C. §103(a) as being rendered unpatentable by Eldering, U.S. Patent No. 6,216,129 B1 (hereinafter "Eldering") in view of "Regression Analysis: Statistical Model of a Response Variable" by Freund and Wilson (hereinafter "Freund") and in further view of Miller et al., U.S. Patent No. 5,842,199 (hereinafter "Miller").

The claims have been provided with the proper status identifier as requested in the Notice of Non-Compliant Amendment 37 C.F.R. §1.121.

Rejections under 35 U.S.C. §101

Claims 20-23, 25-29, and 81 were rejected under 35 U.S.C. §101 as non-statutory. The claims have been amended to comply with the Examiner's suggestions.

Rejections under 35 U.S.C. §103

Claims 20-23, 25-29, and 81 were rejected under 35 U.S.C. §103(a) as being rendered unpatentable by Eldering in view of Freund and in further view of Miller. Eldering discloses an advertisement selection system in which vectors describing an actual or hypothetical market for a product or desired viewing audience can be determined (*See* Abstract). Freund discloses the statistical methods for inferences on means using samples from one, two, and several populations (*See* Abstract). Miller discloses an electronic information system for

determining predictive utility of prediction techniques in ascertaining which items are valued (*See* Abstract).

Freund and Miller do not teach expressing the assumed relationship between said static and dynamic datasets as a mathematical assumption, as recited in claims 20 and 25, nor does the Office Action claim such. For this element, the Office Action cites to two sections of Eldering. The first section of Eldering cited in the Office Action states:

> The ad demographics vector represents a statistical estimate of who the ad is intended for, based on the advertisers belief that the ad will be beneficial to the manufacturer when viewed by individuals in those groups. The benefit will typically be in the form of increased sales of a product or increased brand recognition. As an example, an "image ad" which simply shows an artistic composition but which does not directly sell a product may be very effective for young people, but may be annoying to older individuals. The ad demographics vector can be used to establish the criteria which will direct the ad to the demographic group of 18-24 year olds.

(Eldering, col. 8, lines 42-53).

In this section, Eldering discloses the creation of a demographics vector, representing the goals of the advertiser. This section does not establish a mathematical relationship between the demographics and the selection of an advertisement. The second section of Eldering cited in the Office Action states:

> In a preferred embodiment the consumer characterization vectors shown in FIGS. 2A-C and the ad characterization vectors represented in FIGS. 3A and 3B have a standardized format, in which each demographic characteristic and product preference is identified by an indexed position. In a preferred embodiment the vectors are singly indexed and thus represent coordinates in n-dimensional space, with each dimension representing a demographic or product preference characteristic. In this embodiment a single value represents one probabilistic or deterministic value (*e.g.* the probability that the consumer is in the 18-24 year old age group, or the weighting of an advertisement to the age group).

(Eldering, col. 9, lines 26-38).

In this section, Eldering describes creating a record of the demographic characteristics

of a group and of the product preferences. This section does not disclose creating a mathematical assumption correlating the two. Applicants respectfully submit, therefore, that elements of claims 20 and 25 are neither shown nor suggested by Eldering. Accordingly reconsideration and withdrawal of the rejection of claims 20 and 25 under 35 U.S.C. §103(a) is respectfully requested.

Claims 21-23, 26-29, and 81 depend from claims 20 and 25. Accordingly reconsideration and withdrawal of the rejection of claims 21-23, 26-29, and 81 under 35 U.S.C. §103(a) are respectfully requested.

For all the above reasons, the Applicant respectfully submits that this application is in condition for allowance. A Notice of Allowance is earnestly solicited.

The Examiner is invited to contact the undersigned at (408) 975-7500 to discuss any matter concerning this application.

The Office is hereby authorized to charge any additional fees or credit any overpayments under 37 C.F.R. §1.16 or §1.17 to Deposit Account No. **11-0600**.

Respectfully submitted,

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